

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF SOUTH 641 WATER)	
DISTRICT FOR AN ADJUSTMENT OF WATER AND)	CASE NO.
SEWER RATES PURSUANT TO THE ALTERNATIVE)	93-108
RATE FILING PROCEDURE FOR SMALL UTILITIES)	

O R D E R

On April 15, 1993, South 641 Water District ("South 641") filed its application for Commission approval of a proposed increase in its rates for water and sewer service. The proposed rates for water service would generate additional annual revenues of \$23,761, an increase of 36 percent above test-year revenues. The proposed rates for sewer service would generate additional annual revenues of \$2,343, an increase of 7 percent above test-year revenues.

In August 1992, Commission Staff conducted a field review of 1991 test-period financial records. The review was completed on January 7, 1993. Based upon this review, Commission Staff issued its report on May 7, 1993, recommending the proposed rates be accepted.

By Order dated May 7, 1993, South 641 was advised to file comments on the Staff Report or request a hearing no later than May 24, 1993, or the case would stand submitted to the Commission for decision. No comments on the Staff Report or requests for a hearing have been received.

The Commission, after considering the evidence of record and being otherwise sufficiently advised, finds that:

1. The recommendations and findings contained in the Staff Report are supported by the evidence of record, are reasonable, and are hereby adopted as the findings of the Commission in this proceeding and are incorporated by reference as if fully set out herein.

2. The rates in Appendix A and Appendix B, attached hereto and incorporated herein, are the fair, just, and reasonable rates for South 641 and will produce gross annual revenues of \$124,193. These rates will allow South 641 sufficient revenues to meet its operating expenses and provide for future equity growth, including provisions for servicing its debt.


IT IS THEREFORE ORDERED that:

1. The rates proposed by South 641 and contained in Appendix A and Appendix B are approved for service rendered by South 641 on and after the date of this Order.

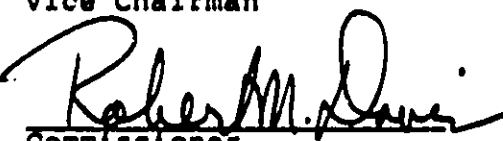
2. Within 30 days of the date of this Order, South 641 shall file with the Commission its revised tariff setting out the rates approved herein.

Done at Frankfort, Kentucky, this 14th day of June, 1993.


PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 93-108 DATED June 14, 1993

The following rates and charges are prescribed for the customers in the area served by South 641 Water and Sewer District (Division of Water). All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

Rates: Monthly

First 2,000 gallons	\$12.30 Minimum Bill
Next 3,000 gallons	5.30 per 1,000 gallons
Next 5,000 gallons	4.60 per 1,000 gallons
Over 10,000 gallons	4.00 per 1,000 gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 93-108 DATED June 14, 1993

The following rates and charges are prescribed for the customers in the area served by South 641 Water and Sewer District (Division of Sewer). All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

Monthly Rate

\$10.95